

Agenda Item #5. Report from Board Legal Consultant

[00.55.10 into the pension meeting audio.]

- A. Discussion of Chairmanship of the Board — The Board's attorney stated he got a "draft" of the City Attorney's Opinion on the issue of the Chairmanship of our Board; however, he did not have a final version of this opinion yet. The attorney suggested that he contact the City Attorney, Mayor, and City Manager and work with them to try to resolve this issue and continue to hold our pension meetings with the Secretary officiating at the pension meetings until this issue is resolved.

At this time, the Board took a 5 minute recess and resumed the meeting at 10:39 hours.

- B. Discussion of legal recommendations for the collection of \$500,000 in unpaid probation fees due the Board — The attorney got various information pertaining to this claim from the Board members for his consideration and stated he would obtain other information from the Board Treasurer and send out copies of his memorandum containing his analysis of the matter and his recommendations for an appropriate action prior to our next pension meeting.
- C. Presentation of legal opinion on the \$50 benefit increase [01.51.55 into the pension meeting audio] — The attorney stated they would have a memorandum by the end of the next week and asked a few factual questions of the Board members about the past process of obtaining a benefit increase.
- D. Review of A.C.A. § 24-11-415 concerning handgun destruction [02.13.52 into the pension meeting audio] — The attorney stated the laws with regard to this issue were so convoluted that his recommendation was a legislative review of this matter to make clear the proper disposition of such seized property. It was determined that the attorney would work with the Board's legislative lobbyist to obtain clarification from the next session of the legislature.
- E. Request review of the opinion of \$125 benefit for 18 year old child in HS [out of Agenda order] — The attorney stated he had reviewed the Arkansas statutes pertaining to this issue and determined that any child of a deceased member who attained the age of 18 years of age had to cease receiving benefits from the Fund even if the child had not yet graduated from high school. The Secretary stated he had contacted Mr. David Clark with the PRB about this matter and was assured that this issue would be addressed in the next legislative session and that, currently, we have no choice but to abide by state law. Although the Board regretted having no choice in this matter, Mr. Lee Harrod made a motion [at 01.32.24 into the pension meeting audio] to cease this child's benefits until she enrolls in an institution of higher learning in the month of January based on the legal opinion expressed by the pension board's legal counsel and that of Mr. Clark. Mr. Young seconded the motion that passed by a unanimous vote of the Board.
- F. Discussion of past attorney fees [03.26.36 into the pension meeting audio] — [This issue was passed to the next pension meeting due to the absence of the Treasurer's report on this matter.]

- 76 G. [Not on Agenda] Assign Guarantee Fund Issue to Attorney [02.49.28 into the pension
77 meeting audio] — Mr. Young asked that the Board's attorney to look at this issue and make
78 a recommendation as to the next step available to the Little Rock Police Pension Board.
79 The attorney recommended that we not submit a request for redetermination of the
80 Guarantee Fund issue so that they can study the issue and present the best case possible for
81 the Board.

82 **Agenda Item #6. Report from Board Financial Consultant**

83 [00.02.14 into the pension meeting audio
84

- 85 A. November Financial Report — Mr. Brister, Financial Consultant for the Fund, gave the
86 November 2010 financial report and stated that on November 30, 2010, the market value of
87 the total Fund was \$46,951,132 of which \$24,129,250.49 was allocated to DROP. This
88 represents an increase in the account balance of \$300,658 since October 31, 2010. The
89 component of this change was income of \$70,811.44 and net contributions/withdrawals of
90 \$1,640.65. Additionally, \$1,130,634.72 was held in the Metropolitan Checking Account.
91 The Funds overall market rate of return for the month of November 2010 was 0.62% and
92 8.69% calendar year to date.

- 93 B. Presentation of Fees for Services — [Passed until the next pension meeting]
94

95 **Agenda Item #7. Report of Board Lobbyist [Out of Agenda Order]**

96 [02.24.44 into the pension meeting audio.]
97

- 98 A. Discussion of Legislative Matters [02.31.57 into the pension meeting audio] — The
99 Board's lobbyist commented on the premium tax distribution formula Bill being worked on
100 by Mr. Jody Carreiro and the Executive Director of the PRB that will "level the playing
101 field" by requiring cities to pay a uniform contribution rate for LOPFI plans. It is the
102 opinion of the Board's lobbyist that the Governor will oppose this legislation because it
103 "eats into his ability" to withdraw funds for his "general revenue."
104

105 He also mentioned that the State Police is trying to come up with some legislation to fund
106 their pension plan that will deal with taking or increasing "fines and fees;" however, he
107 stated that such a Bill would be difficult to obtain passage given the current economic
108 condition.
109

- 110 B. Presentation of Legislative Proposals [Out of Agenda Order] — The Board's lobbyist
111 handed out copies of "draft" Bills dealing with the increase of supplement benefits from
112 \$50 per month up to \$200 per month and to allow monthly payments of the longevity bonus
113 to the surviving spouse of a deceased police officer.
114

- 115 C. Discuss including other cities in Legislative Proposals — [Passed until the next pension
116 meeting]
117

- 118 D. Discuss modification to FOIA regarding legal counsel [02.43.49 into the pension meeting
119 audio] — The lobbyist stated he believed the best way to resolve the issue of the right of the
120 Board to consult with its legal counsel without being subject to FOIA inspection would be
121 to request the PRB to ask the Attorney General's Office for assistance on this matter.
122

123 **Agenda Item #8 Report from Board Chairman**

124 [03.30.59 into the pension meeting audio]
125

126 It was determined that Board member Lee Harrod would contact City Director Gene Fortson to
127 set up a date for our first committee meeting with him to discuss our pension plans under
128 funded status.
129

130 The other items under this heading of the Agenda were tabled until a Chairman is present.
131

132 **Agenda Item #9. Report from Board Secretary**

133 [03.32.53 into the pension meeting audio.]
134

- 135 A. New Format for Agenda — Mr. Young stated that he had reformatted the agenda to provide
136 line numbers for our Board to clearly designate the areas of the Minutes that needed
137 modification or change. The line numbers will be removed before the final printing of the
Minutes.

- 138 B. Establishment of By-Laws or Modification to Policies and Procedures — Mr. Young stated
139 that he was not aware that the City maintained a file of past city board attorney's opinions
140 and recommended to the Board that he be allowed to compile those opinions into a useable
141 pdf format so that each pension board member and our membership could have access to
142 those opinions for their review and consideration. The Board approved this suggestion.

- 143 C. Reduction of Secretarial fees to \$100 per month — Mr. Young made a motion [02.12.15
144 into the pension meeting audio] that the Secretarial fee be reduced to \$100 per month. Mr.
145 Wood seconded the motion that passed by unanimous vote of the Board.
146

147 **Agenda Item #10. Report from Board Treasurer [Treasurer was absent from the meeting]**

148 [03.39.11 into the pension meeting audio.]
149

150 [Items A, B and C under this heading were tabled until the next pension meeting due to the
absence of the Board Treasurer due to serious family health issues.]
151

- 152 D. Report on change of membership status — Mr. Young made a motion [03.40.58 into the
153 pension meeting audio] that the Board remove from the pension rolls Mr. Thomas Barfield
154 who died on 11-06-2010 and award his pension in the amount of \$1,115.00 to his widow
155 Ms. Marie Barfield effective 12-01-2010 and pay his estate \$6,500.00 in death benefits as
156 well as extend the Board's condolences to the family. Mr. Hensley seconded the motion
157 that passed by unanimous vote of the Board.

Agenda Item #11. Board Member Topics of Discussion

[03.44.32 into the pension meeting audio]

- A. PRB Guarantee Funding (Mr. Young) — Mr. Young stated this item had already been covered at length under the attorney's section.
- B. Reimbursement of Fund for Resolution required by the departure of the Treasurer during the November pension meeting (Mr. Wood) — This item was tabled until the next meeting.

Agenda Item #12. Fund Members Comments

[03.51.52 into the pension meeting audio.]

[There were no members present]

Agenda Item #13. Other Business

[02.22.56 into the pension meeting audio.]

Mr. Young asked the Board for reimbursement of \$93.97 for a new digital voice recorder he ordered to record PRB meetings etc. Mr. Rowan made the motion that the Board reimburse Mr. Young for the expense of the recorder and Mr. Hensley seconded the motion that passed by a unanimous vote of the Board.

Mr. Young mentioned that by Arkansas law his signature and the Chairman of the Board's had to be on the checks to our pension members and that no one had obtained his signature for that purpose. Ms. Lindsey asked that this matter be tabled until the next pension meeting because the individual who performed this service is off on vacation and she will bring the appropriate paper work with her to the next meeting.

Mr. Harrod asked that the next pension meeting date be changed to January 20, 2011 due to his inability to attend otherwise. The Board agreed to the new date for the meeting.

Because a few isolated members had not complied with the fund's policy to respond with a form acknowledging that they have not remarried and continue to collect the benefits of their deceased officer spouses, Mr. Young made a motion [04.02.55 into the pension meeting audio] to establish a new policy of the Board that, after the original form is mailed out to the beneficiary, the next form will be sent by certified mail if the original form has not been received and the fund will withhold any funds from those members until their forms are received by the pension office. The motion was seconded by Mr. Rowan and passed by a unanimous vote of the Board.

Mr. Harrod stated that he had called Mayor Sodola twice on December 2, 3, 6, 7, 8, and 9th in an effort to make contact with him to discuss the Chairmanship of our Board but was unable to reach him each time and left a message with his assistant. Mayor Stodola finally returned his call the day before the meeting at around 4 pm and stated that if the City Attorney ruled that he was to be the Chairman of our Board he would be the Chairman of our Board and that he would stop by the Board meeting to speak with its members if he had the time after a prior meeting. Mayor Stodola did not stop by the Board meeting.

Agenda Item #14. Adjourn Meeting

[04.12.50 into the pension meeting audio.]

Mr. Harrod made a motion to adjourn and Mr. Rowan seconded the motion that passed by a unanimous vote of the Board at approximately 13:20 hours.

Respectfully Submitted,

Stephen R. Young
Board Secretary

DRAFT